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SUMMARY

Although production for defense is expanding, civilian supplies of most commodities, including food, are at a high level. In many instances these are larger than before the outbreak of the Korean conflict. Agricultural production for sale and for consumption in the farm home in 1951 will probably exceed the previous record established in 1949, if weather conditions are average or better. Acreage of crops grown in 1951 may be slightly less than in 1949 but output of livestock and livestock products is expected to increase further this year.

Output of consumer durable goods, such as automobiles and television sets, has been substantially higher in recent months than in the first half of 1950 and only moderately below the record high levels attained in the last half of 1950. Retail stocks of nondurable goods have expanded appreciably in recent months.

With general price ceilings established, wholesale prices have been fairly stable since mid-February. Consumer buying, which has increased more than consumer income since last June, has recently shown some signs of abating. For the next few months price pressures may moderate. Over the longer run, however, civilian supplies of some commodities, especially durables, are expected to be reduced while incomes will continue to expand. Consequently, inflationary pressures are likely to strengthen again later this year.

ECONOMIC FACTORS AFFECTING AGRICULTURE

Item	Unit or base period	1950				1951	
		Year	Feb.	Nov.	Dec.	Jan.	Feb.
Industrial production <u>1/</u>							
Total.....	1935-39=100:	200	180	215	218	221	221
All manufactures.....	do.	209	192	224	229	231	232
Durable goods.....	do.	237	207	260	268	269	272
Nondurable goods.....	do.	187	180	195	197	201	199
Minerals.....	do.	148	118	160	157	164	158
Construction activity <u>1/</u>							
Contracts, total.....	1935-39=100:	514	458	533	578	580	585
Contracts, residential.....	do.	748	637	696	728	765	799
Wholesale prices <u>2/</u>							
All commodities.....	1926=100	161	153	172	175	180	184
All commodities except farm and food.....	do.	153	146	164	167	170	172
Farm products.....	do.	170	159	184	187	194	203
Food.....	do.	166	157	175	179	182	188
Prices received and paid by farmers <u>3/</u>							
Prices received, all products.....	1910-14=100	256	237	276	286	300	
Prices paid, interest, taxes and wage rates.....	do.	255	248	263	265	272	276
Parity ratio.....	do.	100	96	105	108	110	113
Consumers' price <u>2/ 4/</u>							
Total.....	1935-39=100:	172	168	176	179	182	184
Food.....	do.	204	195	211	216	222	226
Nonfood.....	do.	152	150	156	157	158	160
Income							
Nonagricultural payments <u>5/</u>	Bil. dol.	205.6	199.0	213.9	221.9	219.1	
Income of industrial workers <u>3/</u>	1935-39=100:	367	316	406	416	415	
Factory pay rolls <u>2/</u>	do.	396	351	441	453	451	
Weekly earnings of factory workers <u>2/</u>							
All manufacturing.....	Dollars	59.27	56.37	62.38	63.80	63.67	64.08
Durable goods.....	do.	63.19	59.47	66.58	68.24	67.52	68.55
Nondurable goods.....	do.	54.66	53.06	57.10	58.26	58.76	58.43
Employment							
Total civilian <u>6/</u>	Millions	60.0	57.0	61.3	60.3	59.0	58.9
Nonagricultural <u>6/</u>	do.	52.4	50.7	53.7	54.1	53.0	53.0
Agricultural <u>6/</u>	do.	7.5	6.2	7.6	6.2	6.0	5.9
Government finance (Federal) <u>7/</u>							
Income, cash operating.....	Mil. dol.	3,538	3,595	3,487	4,488		
Outgo, cash operating.....	do.	3,497	3,537	3,415	4,004		
Net cash operating income or outgo....	do.	+ 40	+ 58	+ 72	+ 485		

Annual data for the years 1929-49 appear on page 19 of the March 1950 issue of The Demand and Price Situation. Sources: 1/ Federal Reserve Board, construction activity converted to 1935-39 base. 2/ U. S. Department of Labor, Bureau of Labor Statistics. 3/ U. S. Department of Agriculture, Bureau of Agricultural Economics, to convert prices received and prices paid interest, taxes and wage rates to the 1935-39 base, multiply by .93110 and .79872 respectively. 4/ Consumers' price index for moderate-income families in large cities. 5/ U. S. Department of Commerce revised figures, seasonally adjusted at annual rates. 6/ U. S. Department of Commerce, Bureau of the Census. 7/ U. S. Department of Treasury. Data for 1950 are on average monthly basis.

Commodity highlights

Meat production this year is expected to be moderately above 1950. Seasonally adjusted prices received for milk at wholesale and butterfat, which are both currently below parity, probably will increase relative to their parity prices during the next few months. For 1951 as a whole, more milk will be used in fluid form and less in total manufactured products than was used last year. With egg prices higher than last spring, the number of chicks hatched this spring for laying flock replacement may be as great as or greater than last year. Prices for cottonseed, soybean, and corn oils are likely to average near ceiling levels, at least until new crop indications become more definite. The feed supply situation in 1951-52 may be tighter than in the two preceding years. Aided by a strong demand for processing, grower prices for citrus fruits, especially oranges, probably will increase a little over March 1951 levels. But prices for apples are expected to decline under the weight of record-large stocks. Prices for most fresh vegetables during the next few months are expected to continue well above last spring. Because of the prospect for substantially smaller supplies of new potatoes this spring, prices for new potatoes through May are likely to continue moderately higher than a year earlier. Demand for cotton is expected to continue strong. Wool prices will probably continue high for at least the remainder of the current season. A strong demand for the 1951 crops of flue-cured and Burley tobacco is expected.

PROSPECTIVE AGRICULTURAL OUTPUT IN 1951

Total agricultural production for sale and for consumption in the farm home in 1951 will probably exceed the previous record established in 1949, if weather conditions are average or better. Agricultural production in 1949 was 40 percent above the 1935-39 average.

The March 1 report on prospective plantings indicated intentions to plant a smaller total acreage of 17 spring planted crops than last year, but a considerable part of the decline from 1950 is offset by the larger acreage sown to wheat last fall. Cotton acreage was not covered in the March 1 report. Compared with 1950 acreages, increases are in prospect for corn, spring wheat, rice, tobacco, dry beans and dry peas. Declines are indicated for oats, barley, sorghums, flax, soybeans, potatoes, cowpeas, sweetpotatoes, peanuts and sugar beets. The 1951 acreage guides for certain crops recommended by the Department are slightly exceeded by the indications for spring wheat, rice, oats, dry beans and potatoes. Prospective acreages of corn, barley, soybeans, sorghums for grains and sweetpotatoes fall substantially short of the guide acreages.

However, there may be fairly substantial changes in acreage plans as a result of such factors as weather conditions, farmers' reactions to this report on intentions to plant. In addition, the Department's acreage guides for 1951 were not generally known to farmers on March 1 and intensive efforts are being made by State and local groups to attain 1951 guide acreages.

Principal crops planted or grown in 1951 may total about 8 million acres more than in 1950 but 4 million acres less than in 1949, allowing for duplications and numerous crops not yet surveyed and including cotton at the guide acreage. The decline in crop acreage from 1949 will probably be offset by the continued advance in output of livestock and livestock products.

OUTPUT AND EMPLOYMENT

Activity at factories and mines in February was the same as in the previous month. The Federal Reserve Board's seasonally adjusted index of industrial production was 221 (1935-39=100) in February, 23 percent above February a year earlier. Preliminary indications point to a slight rise in total industrial output during March. Steel production, which declined during February, recovered in early March and was maintained near the record January rates throughout the month. Motor vehicle output continued at the high February levels; and coal production was substantially above the previous month.

Durable goods production in February was 1 percent above January and 31 percent above February a year ago. A substantial rise from January in weekly motor vehicle output and higher output of producers' equipment were largely responsible for the increase. Steel production declined as operations during the month dropped to an average of 97.1 percent of capacity, compared with 99.9 percent in January. Activity in most other durable goods industries was maintained close to the January levels.

Drops in output of textiles and rubber products brought the index of nondurable goods production down to 199 (1935-39=100), 1 percent below January but 11 percent above February 1950. The decline in textiles was due almost entirely to the sharp curtailment in the production of wool textiles resulting from the work stoppage which began on February 15. The drop in rubber products reflects the effects of Government limitation orders on the use of rubber for civilian goods. Output of most other nondurable goods industries was virtually unchanged from the previous month.

Production of minerals was down 4 percent from January as bituminous coal output, which was particularly hard hit by the rail strike, fell sharply. Crude petroleum output continued at the high January level.

Construction activity in February exceeded that of any other February on record. Total outlays on new construction, estimated at 2.0 billion dollars, were only 4 percent below January and 22 percent greater than in February 1950. The value of privately financed construction amounted to 1.5 billion dollars, 2 percent below January but 22 percent above a year earlier. Outlays on private nonfarm residential construction, although declining seasonally, were 21 percent above February a year ago and accounted for 57 percent of total private outlays for new construction. Private industrial outlays were up 5 percent from January and nearly double those of February 1950. Commercial construction con-

tinued high with outlays in February totaling about the same as in the previous month and 58 percent above a year earlier. Public construction expenditures were down 12.5 percent from January but were 22 percent higher than in February 1950. Expenditures on public industrial construction rose 8 percent during the month and were more than four times those of a year earlier.

The employment situation in February showed very little change from the preceding month. Total civilian employment, at 58.9 million persons was only 100,000 below January and 1.9 million above February 1950. Nonagricultural employment totaled 53 million persons, the same as in January and 2.3 millions above a year earlier.

Unemployment did not register its usual seasonal increase between January and February, declining by 100,000 to an estimated total of 2.4 million persons. In February 1950, unemployment totaled 4.7 millions. Since the Christmas holidays, unemployment has increased by only 200,000 persons, in contrast to a 1.3 million rise a year ago and a one million increase in the relatively prosperous year of 1948.

The civilian labor force in February was estimated at 61.3 million, only 200,000 below January. Despite larger selective service withdrawals, there were only 300,000 fewer people in the labor force in February than in February a year earlier. A rise in the number of women, particularly in the middle and upper age groups, entering the labor force during this period was largely responsible for maintaining the civilian labor force at this high level. In February 1951 women 25 years of age or over constituted 50 percent of the labor force compared with 22 percent in February last year.

INCOME AND RELATED FACTORS

Total personal income in January was at a seasonally adjusted annual rate of 239.2 billion dollars, 1.8 billion below December, but 24.6 billion above January a year ago. The decline from December was entirely due to a sharp drop in dividends from an annual rate of 14.8 billion in December, when a large volume of extra and special dividends was disbursed, to 8.8 billion in January. Total income, excluding dividend payments rose from 226 billion in December to 230 billion in January.

Wage and salary receipts continued to rise during January, reflecting increased trade and Government pay rolls. The seasonally adjusted annual rate of wage and salary receipts was estimated at 155.2 billion dollars, 0.9 billion above December and 23.0 billion above January 1950.

Proprietors' and rental income rose from an annual rate of 47.0 billion dollars in December to 49.2 billion in January as income of both farm and nonfarm proprietors increased. In January 1950, the rate was 43.5 billion.

Consumer instalment credit outstanding declined to an estimated 13.3 billion dollars at the end of January, 212 million below the previous

month. Although some decline in instalment credit usually occurs in January, the drop this year was somewhat greater than in 1949 and substantially larger than in 1950, reflecting stricter credit restrictions. The decline was noteworthy in view of the unusually large volume of January sales of automobiles and other durable goods. Automobile sale credit outstanding was down for the third consecutive month, and total sale credit outstanding on other durable goods was also lower. Non-instalment consumer credit outstanding (mostly charge accounts) was practically unchanged in contrast to the usual seasonal contraction which occurs during January. This compares with a drop of about 400 million dollars in January 1950. Total consumer credit outstanding in January was estimated at 19.9 billion dollars, about 200 million below December, but 3.5 billion above January last year.

Recent developments in consumer
income and expenditures

The recent upsurge in consumer buying, which began in December, carried the level of retail sales well above its usual relation to disposable income. Retail buying in January (seasonally adjusted) was 14 percent above June, while disposable income was up 9 percent. This latest wave of consumer buying followed widespread reports of prospective price advances and shortages of consumer goods resulting from the impact of defense production on civilian goods output.

Supplies of consumer goods continue to hold at high levels. Output of household durable goods in January was estimated to be close to the record level of the second half of 1950, while stocks of these goods in retail outlets were down only slightly from November to the end of January despite the high level of sales. Television set output in February, a short month, was only 5 percent below the record average rate during the second half of 1950 and 30 percent above the first half of 1950--the base period for current limitations on the use of materials. Production of washing machines, vacuum cleaners and refrigerators in January continued close to the record rates of the second half of 1950. Motor vehicle output recovered from the effects of model change-overs in late February and average weekly output during the last two weeks of that month was only 11 percent below last summer's peak and about 50 percent above the same period last year. Supplies of most non-durable goods are also ample as manufacturers continue to maintain output at near record levels. Retail stocks of these goods are high, their value increasing by about 400 million between November and January on a seasonally adjusted basis, and by 1.9 billion over January a year ago. New non-farm homebuilding so far remains high as builders continue to work on pre-regulation X commitments. The number of new housing starts in January and February combined was 3 percent above a year earlier and a record for those months.

In late February and early March the new buying surge showed some signs of abatement as anticipated shortages failed to materialize and price advances were slowed by the General Ceiling Price Regulation. Seasonally adjusted sales at department stores in February were down from a year ago, after allowance for the earlier date of Easter this year than last, were somewhat smaller than those reported for February and January.

Prices at wholesale, which had risen sharply from June through January, were virtually stable in February and early March, while some slowing down in the monthly rate of increase in retail prices was also evident.

In view of current large supplies and indications that consumer buying, which has increased more than income, is abating, price pressures may moderate over the next two or three months. Over the longer run, however, the cumulation of forces now in operation will tend to increase inflationary pressures. Present material restrictions will become increasingly effective in reducing civilian goods output. On the income side, the accelerating tempo of defense preparations is likely to result in a substantial rise in personal disposable income.

COMMODITY PRICES

The general level of wholesale prices held steady in March, continuing the leveling off which began in mid-February. Changes in average prices of the major groups of commodities were small. During the four weeks ended March 27 wholesale prices of all commodities were up only 0.5 percent, compared with an average weekly rise of 0.5 percent during the period beginning with Korea and ending with the General Ceiling Price Regulation. Wholesale prices of farm products were up 1.1 percent from four weeks earlier and industrial commodities, 0.6 percent. Wholesale food prices, on the other hand, declined 0.7 percent during the same period. Among the industrial groups, the largest gains were registered by textile products, and fuel and lighting materials. But these were almost completely offset by a decline of 1.9 percent in prices of chemicals.

Table 1.- Group indexes of wholesale prices, week ended March 27, 1951 with comparisons

Group	(1926=100)				Week ended March 27, 1951		
	Week	Week	Week	Week	percentage change from		
	ended	ended	ended	ended	Week	Week	Week
	Mar. 27, 1951	Feb. 27, 1951	June 27, 1950	Mar. 28, 1950	ended Feb. 27, 1951	ended June 27, 1950	ended Mar. 28, 1950
All commodities	183.9	183.0	157.4	152.9	+ .5	+ 16.8	+ 20.3
Farm products	203.8	201.5	165.4	159.8	+ 1.1	+ 23.2	+ 27.5
Foods	187.3	188.6	162.4	155.9	- .7	+ 15.3	+ 20.1
All other than farm and food	172.3	171.2	149.2	146.3	+ .6	+ 15.5	+ 17.8
Textile products	135.1	132.2	137.3	137.1	+ 1.6	+ 34.8	+ 35.0
Fuel and lighting products	139.0	138.1	132.8	131.9	+ .7	+ 4.7	+ 5.4
Metals and products	189.3	188.7	171.9	168.6	+ .3	+ 10.1	+ 12.3
Building materials	227.7	227.9	203.7	194.0	- .1	+ 11.8	+ 17.4
Chemicals and allied products	145.7	146.5	114.5	116.8	- 1.9	+ 27.2	+ 24.7

Wholesale prices of all commodities combined during the week ended March 27 were 16.8 percent higher than the pre-Korean level and 20.3 percent above a year earlier. The greatest gains during each of these periods were scored by textiles, chemicals, farm products and foods.

The BLS comprehensive index of wholesale prices in February was 183.6 (1926=100), 2.0 percent above January and 20.2 percent above February a year earlier. Farm product prices at wholesale were up 4.3 percent from the previous month; foods, 3 percent; and industrial commodities, 0.9 percent.

In mid-March prices received by farmers for all commodities combined averaged lower than the previous month, marking the first monthly drop since last October. The BAE index of prices received by farmers in mid-March was 311 (1910-14=100), 1 percent below mid-February. Average prices for all crops were 2 percent lower than in mid-February, largely due to a sharp decline in prices of truck crops and a more moderate drop in average prices of food grains. Average prices of livestock and products were 1 percent higher than in mid-February with increases for wool and poultry and eggs more than offsetting seasonal declines in dairy product prices.

Table 2.— Group indexes of prices received by farmers, March 15, 1951 with comparisons

Group	(1910-14=100)			March 15, 1951	
	Mar. 15,	Feb. 15,	Mar. 15,	percentage change from	
	1951	1951	1950	Feb. 15,	Mar. 15,
	:	:	:	1951	1950
Food grains	245	254	224	- 4	+ 9
Feed grains and hay	221	222	174	1/	+ 27
Cotton	359	351	236	+ 2	+ 52
Tobacco	437	440	389	- 1	+ 12
Oil-bearing crops	386	379	230	+ 2	+ 68
Fruit	202	204	193	- 3	+ 5
Truck crops	265	333	168	- 20	+ 58
Other vegetables	174	167	191	+ 4	- 9
All crops	276	283	215	- 2	+ 28
Meat animals	428	425	308	+ 1	+ 39
Dairy products	280	285	243	- 2	+ 15
Poultry and eggs	217	205	165	+ 6	+ 32
Wool	669	612	279	+ 9	+140
Livestock and products	343	340	258	+ 1	+ 33
Crops and livestock and products	311	313	237	- 1	+ 31

1/ Less than one-half percent decrease.

Farm product prices in mid-March averaged 31 percent higher than a year earlier. Average prices received for crops and livestock products both registered gains, rising 28 and 33 percent respectively from mid-March 1950. Among the crop groups, oilseeds, truck crops, cotton and feed grains showed the largest gains from a year earlier. All other groups except "other vegetables" were moderately higher. Livestock products registered increases from a year ago ranging from a high of 140 percent for wool to 15 percent for dairy products.

Prices paid by farmers, including interest, taxes and wage rates continued to increase during the month ending March 15. The BAE index of prices paid, interest, taxes and wage rates was 280 (1910-14=100), about 1-1/2 percent above the previous month and 12 percent above March 1950. Increases in average prices paid for food, clothing, motor vehicles, feeder livestock and feed were primarily responsible for the rise. Reflecting the decline in average prices received and the continued rise in prices paid from mid-February to mid-March, the parity ratio (index of prices received divided by the index of prices paid, interest, taxes and wage rates) dropped to 111, 2 points below February, but 16 points above March last year.

Prices paid by urban consumers of moderate incomes also continued to rise in February with average prices paid for all groups of commodities and services increasing. The revised BLS index of consumers' prices was 183.8 (1935-39=100), 1.3 percent above January and 9.5 percent above February a year earlier. Average prices paid for food were up 1.8 percent from January to February largely as a result of a sharp rise in prices of fruits and vegetables. Moderate increases were also shown for meats, poultry and dairy products.

FARM INCOME

Farmers' cash receipts from marketings in March are estimated at 2.1 billion dollars, 13 percent above February and about 26 percent more than a year ago. The gain over February was due to a larger volume of sales--because of the longer month--as prices declined slightly on the average. Prices averaged about 30 percent above March 1950, however, and volume was only slightly below a year ago.

The increase from February was due mostly to larger receipts from livestock and products. Total cash receipts from these sources were about 1.5 billion dollars in March, or 20 percent above the previous month. March receipts from meat animals, dairy products, and poultry and eggs were each above February, with larger marketings accounting for most of the gain. As compared with last March, higher prices brought an increase of about 30 percent in total livestock receipts.

Crop receipts in March were around 0.6 billion dollars, almost the same as in February but about 13 percent above March 1950. Receipts from most of the principal crops were up from the corresponding month last year, mainly because of higher prices, but receipts from fruits were lower.

Farmers took in about 6.4 billion dollars from marketings in the first quarter of 1951, or 16 percent more than in the corresponding period of 1950. The volume of marketings was smaller than last year, but prices averaged nearly 30 percent higher. Receipts from livestock and products are estimated at 4.3 billion dollars, 30 percent above the first three months in 1950, largely because of higher prices. Cash receipts from meat animals, dairy products, and poultry and eggs were up about 35 percent, 15 percent, and 35 percent respectively, with average prices showing about the same percentage rise in each case.

Crop receipts in the first 3 months were about 2.1 billion dollars, slightly below last year. Receipts from wheat, corn, tobacco, and fruits were a little below last year in spite of higher prices. But receipts from cotton and vegetables were a little higher.

LIVESTOCK AND MEAT

Central market prices of all classes of meat animals except hogs advanced in March following a short period of declining prices late in February. Hog prices were relatively stable in March, \$1.00-1.50 per 100 pounds below mid-February levels and well below the record prices of 1948. Except for the late February declines prices of cattle, sheep and lambs have been increasing since early last fall and at the end of March were at record or near record highs. Prices for the lower grades of cattle and for lambs have increased relatively more than for the better grades of steers or sheep.

Prices of live animals are not under direct control. On March 15 farm prices of all species of meat animals were at or above the adjusted legal minimum price levels for ceiling purposes as defined by the Defense Production Act of 1950. On that date the U. S. average farm prices in dollars per hundred pounds were: hogs, 21.20; beef cattle, 29.70; veal calves, 33.50; sheep, 19.00; and lambs, 35.00.

Price patterns for meat and meat animals in 1951 will not follow the usual seasonal trend because of controls and other special influences. Supplies of slaughter animals will be larger than last year but rising defense expenditures will bring a further increase in consumer incomes. It seems likely that, if consumers retain essentially the same pattern of expenditures as in 1950, the pressure on price ceilings now in force would not be great and some meats at some seasons might sell at less than ceiling prices. However, if consumers attempt to commit a larger proportion of their incomes to meat, demand for meat might considerably exceed the supply at current ceiling prices.

Prospects are for a moderately larger meat production this year than in 1950. Numbers of meat animals reported on farms January 1 are up from a year earlier; particularly numbers of breeding stock. Larger calf, pig and lamb crops seem assured, barring unfavorable weather conditions. The March report of prospective plantings indicates that, with yields per planted acre by States the same as the 1945-49 average, 3,050 million bushels of corn would be produced. With such a level of output, total supplies may not limit livestock production this year, but may result in a tight feed situation in the feeding year beginning October 1951.

Total meat production increased in March from the unseasonably low output in February and for the month as a whole probably will be close to production a year earlier. Considerably more pork, slightly less beef, and less veal and lamb and mutton were probably produced this March than in March last year.

Cattle slaughter will probably be close to last year's levels for the next few months despite the larger number on feed January 1 since a larger proportion of these were light weights. The moderate increase in slaughter for the year will be limited largely to increases in the last half of the year.

Marketings of hogs from last fall's pig crop increased during March and will provide the bulk of slaughter supplies in the next few months. The supply of barrows and gilts for slaughter this fall and winter will be determined largely by this year's spring pig crop, for which a 6 percent increase is indicated. The 1951 fall pig crop may be slightly larger than in 1950, based on the expectation of a favorable hog-corn ratio in the next few months and the prospective increase in corn acreage in the Corn Belt. Any gain in pork production in 1951 will likely be smaller than last year but should result in a larger supply in the spring and summer of 1952 than this year.

The early spring lamb crop was about 2 percent larger this year than last. Normally, with the larger early crop, marketings of these lambs would also be larger. However, with the strong demand for ewe lambs for breeding stock, the proportion of ewe lambs marketed for slaughter may be smaller than usual. Slaughter of all sheep and lambs so far in 1951 has been below that of a year earlier and will probably continue so throughout the rest of the year.

Supplies of meat for domestic consumption in 1950 were augmented by net imports of meat and meat animals. Net imports of meat, carcass weight equivalent, amounted to 233.7 million pounds in 1950, more than double 1949 net imports, largely because of increased imports of beef and veal. Imports of Canadian cattle for all purposes in 1950, our principal live animal import, totaled 461 thousand head, 6 percent above a year earlier.

Prospects are that imports in 1951 will not reach 1950 levels. Imports from Canada, both live animals and meat, are expected to be down in view of the stronger demand for meat in Canada and the relatively low number of cattle on farms there. Imports of canned meat from South America are not expected to reach the record high of 1950, although Mexican canned beef can now be imported for consumption within the United States.

DAIRY PRODUCTS

Prices of all manufactured dairy products, except butter and cheese, were unchanged during March. Butter prices have declined between 2 and 3 cents per pound since mid-February. Fluid milk prices were unchanged from early February to early March, after rising contraseasonally from December to February. In late March, prices of manufactured dairy products were higher than a year earlier by from 10 percent for butter to around 30 percent for non-fat dry milk. The dealers' average buying price for fluid milk in early March was 11 percent higher than a year earlier.

The price received by farmers for milk at wholesale in March was \$4.51 per hundred pounds, compared with \$3.81 a year earlier. For butterfat, farmers received 69.7 cents in March this year compared with 62.4 cents a year earlier. The March 1951 prices, adjusted for seasonal variation, were 96 percent of parity for milk and 90 percent for butterfat. The seasonally adjusted prices received by farmers probably will increase relative to their parity prices during the next few months. This can occur even though there are no increases in actual prices, since in the spring of the year both milk and butterfat prices are adjusted upward for seasonal changes before they are expressed as percentages of parity. With respect to dairy products, no material changes have been made in the General Ceiling Price Regulation which was issued on January 26, 1951.

From March 1950 to March 1951, costs of concentrate rations increased slightly more than prices received by farmers for butterfat and about the same as milk. The milk-feed price ratio in March was the same as a year earlier and about equal to the 20-year average. The butterfat-feed price ratio was 10 percent under that of a year earlier and the average. Milk production in the first 2 months of 1951 was 2 percent under the record for those months a year earlier. The current annual rate, however, is a little above the 120.6 billion pounds produced on farms in 1950.

Consumption of fluid milk and cream is continuing larger than a year earlier. With milk production a little smaller so far this year, the quantity of milk available for manufactured dairy products has been sharply under that of a year earlier. Since output of evaporated milk, ice cream, and dry whole milk is running larger than in early 1950, the reduction in use of milk in butter and cheese is greater than the reduction in milk production on farms. For 1951 as a whole, more milk will be used in fluid form and less in manufactured dairy products, in total, than was used last year.

On March 15, the Department of Agriculture announced that through the 12 months beginning April 1, prices to farmers would be supported at 87 percent of the parity equivalent for manufacturing milk and 90 percent of parity for butterfat. The actual prices at which manufactured products will be purchased to achieve these support levels are moderately above the purchase levels of the current year and the same or slightly below current market prices.

POULTRY AND EGGS

Egg prices received by farmers in mid-March averaged 43.7 cents per dozen, slightly above the 41.4 cent average of February and 96 percent of parity. In mid-March 1950 they averaged 31.6 cents per dozen, 72 percent of parity. As a result of higher egg prices this spring than last, the number of chicks hatched this spring for laying flock replacement may be as great as or greater than last year. If the hatch of chicks, now near its season peak, develops this way, it will represent a change from farmers' February 1 intentions, which called for a 4 percent decrease from 1950 in the number of chickens to be raised for laying flock replacement.

In mid-March, large scale storage of eggs had not yet begun. Weekly accumulations of both shell and frozen eggs in 35 cities were at a rate equivalent to about 72 thousand cases per week, compared with about 242 thousand a year earlier.

The large placements of broiler chicks which have been made in the specialized broiler areas since February will be reflected in large marketings beginning in April. Broiler prices from mid-January through mid-March have been at a level encouraging continued large-scale production.

Chicken prices received by farmers continued to rise in March. At 28.9 cents per pound (live), chickens were 2.0 cents higher than in February, and 4.6 cents higher than in January. The mid-March price, an average for all chickens including broilers, was equivalent to 93 percent of parity.

FATS, OILS AND OILSEEDS

Prices for cottonseed, soybean, and corn oils are likely to average near ceiling levels at least until new crop indications become more definite. Reflecting the rollbacks necessitated by the imposition of specific price ceilings on cottonseed, soybean and corn oils (effective February 14) and inedible tallow and greases (effective March 12), prices of these fats and oils averaged lower in March than a month earlier. The ceilings on tallow and greases represent a rollback of approximately 3 cents per pound. Spot cottonseed and soybean oil prices since mid-February have been at the specific ceiling levels established for these oils. However, in March prices of these oils for forward shipment have been below the ceiling, particularly in the new crop months. Futures prices of soybeans have followed a similar pattern. Prices of lard and coconut oil also tended downward in the latter part of the month while prices of linseed oil and tung oil increased. The index of wholesale prices of 26 major fats and oils (excluding butter) in March averaged about 245 (1935-39=100) compared with 251 in February and 151 a year earlier.

Farmers' plans as of March 1 indicate they intend to plant smaller acreages of soybeans, flaxseed and peanuts than a year earlier. Flaxseed acreage is estimated at 3.9 million acres, 4 percent less than a year earlier. Acreages of soybeans and peanuts grown alone for all purposes total 13.8 and 2.6 million, respectively, 6 and 5 percent respectively, less than a year earlier. Based upon the 1945-49 average yields per acre by States the prospective acreage of flaxseed would produce a crop of about 36 million bushels compared with a little over 39 million the year before. Production of soybeans in 1951 would total 233 million bushels (if the same proportion of the total acreage of soybeans is harvested for beans as in the last 2 years and if the 1945-49 average yield is attained), compared with the record 287 million bushels produced a year earlier. Based upon average relationships between total acreage and acreage picked and threshed and yield per acre, peanuts picked and threshed in 1951 would total about 1.7 million pounds compared with 2.0 million a year ago. The first indications of cotton acreage will not be available until July, but if the production guide set by the U. S. Department of Agriculture is approximated, total output of edible vegetable oils in 1951-52 will be greater than a year earlier. Output of butter is expected to decline in 1951-52, but production of lard is expected to continue to increase.

CORN AND OTHER FEED

Feed prices generally continue well above the levels of a year earlier, although there was some weakness in prices of feed grains and some of the byproduct feeds in March. Higher feed prices this year, in spite of the near record supplies, reflect the strong demand for feed which is expected to continue during the coming year. Prices of all the feed grains continue below the legal minimum levels at which ceilings can be established, although they average nearly one-third higher than a year earlier. Prices of high protein feeds and wheat mill feeds are about 15 to 20 percent higher than a year ago while animal protein feeds are about 5 percent higher.

Market receipts of corn have been unusually heavy so far during the 1950-51 marketing year, totaling nearly one-fifth larger during October-March than in that period of 1949-50. Heavy receipts reflect higher corn prices and increased demand for domestic processing and exports. Substantial quantities of corn have been withdrawn from loan stocks and Government holdings. Stocks of corn at terminal markets, which reached a high point of 75 million bushels in mid-March were the largest in recent years and 30 million bushels larger than a year earlier. Through February farmers had placed only about 46 million bushels of corn under price support compared with 269 million bushels in the same period of 1949-50.

Based on farmers planting intentions on March 1, the total feed grain acreage will be about 4 percent smaller than in 1950. The prospective corn acreage of 85.7 million acres is only 1.7 percent larger than the small acreage planted in 1950. Intended acreages of oats, barley and sorghum grains are smaller than in 1950. If yields by States are equal to the 1945-49 average, the total production of feed grains would be about 118 million tons, 6 percent below the 1950 production. Although this level of production would be nearly a fifth larger than the period just before the World War II it is somewhat short of current feed grain requirements estimated at about 132 million tons for 1950-51. The carry-over of feed grains into 1951-52 is also expected to be smaller than last year. The total supply of feed grains for 1951-52 would be around 8 percent below the big supplies of the past 2 years. A supply of this size together with the strong demand in prospect would result in a much tighter feed supply situation than in the two preceding years.

WHEAT

Prices received by farmers on March 15 for wheat at \$2.12 per bushel were about 9 cents lower than a month earlier. The decline in prices represented a reaction to the previous rapid rise, improvement in moisture conditions in the winter wheat area, the easing of the boxcar supply situation and prospects that a moderately large quantity of non-government wheat will be in the carry-over next July. Prices on March 15 were generally 10 to 15 cents above the loan, which was not sufficient to cover accrued charges. Prices in January and February, however, were sufficiently above the loan to cause growers to redeem a considerable quantity of wheat under loan. More would have been redeemed had box cars

been available. Sufficient wheat, however, has been redeemed by growers so as to reduce deliveries to CCC under the loan program and cause the supply of non-government wheat in the carry-over July 1, 1951 probably to be the largest since 1944, when it was about 200 million bushels. Prices in mid-March were 28 cents below parity--the legal minimum ceiling level of \$2.40.

March weather was not particularly favorable for winter wheat. From the Mississippi Valley eastward wheat was in mostly good condition and greening as far north as the lower Lake region. Condition in the Pacific Northwest was good. In the Southwest, while helpful precipitation was received, some important portions continued to suffer from drought and insects. Conditions were poorest in an important area embracing southwestern Kansas, southeastern Colorado, western Oklahoma, the Texas Panhandle and northeastern New Mexico. The next official crop report covering winter wheat will be issued on April 10, as of conditions on April 1.

Reports of growers' intentions to plant, as of March 1, indicate an all-spring wheat acreage of 21.8 million acres in 1951. Such an acreage would be nearly a fifth larger than that seeded a year ago and equally larger than average. Compared with the suggested 1951 planting guides, present intentions are slightly over that requested at the national level. A total of 78.0 million acres of all wheat is indicated by combining the prospective acreage of all spring wheat with the seeded acreage of winter wheat as estimated last December. An acreage of this size would exceed by 9 percent the total seedings for the 1950 crop, but would be about 8 percent short of the record 84.7 million acres seeded for the 1949 crop.

Production of all spring wheat would be approximately 309 million bushels, if present intended acreages are planted and if yields per seeded acre should equal the 1945-49 average, by States. This added to the winter wheat crop as estimated last December would give a total of 1,208 million bushels of all wheat in 1951, compared with a 1,027 million-bushel crop harvested in 1950.

Domestic disappearance of United States grown wheat in 1951-52 is expected to total about 750 million bushels. Allowing for as much as 350 million bushels for export, a total disappearance of about 1,100 million bushels would be indicated. Production in excess of this quantity would increase the carry-over July 1, 1952, over the carry-over July 1, 1951 which is currently estimated at about 420 million bushels. The indicated carry-over next July is based on a total supply of 1,450 million bushels of domestic wheat, domestic disappearance of about 720 million and exports which may approach 310 million bushels if shipping levels announced for March-April can be met.

FRUIT

Mainly because of relatively large supplies, grower prices for most fruits in April and May probably will average somewhat lower than corresponding prices in these months of 1950. Aided by a strong demand for processing, grower prices for citrus fruits, especially oranges, probably will increase a little over March 1951 levels. But prices for apples are expected to decline under the weight of record-large stocks.

Total supplies of citrus fruits remaining to be marketed after mid-March were slightly larger than supplies a year earlier. Movement of Florida oranges to processors through mid-March of the 1950-51 season has been moderately larger than in the same part of the 1949-50 season. But that of Florida grapefruit from the increased production in 1950-51 has been considerably larger. With continuing strong demand for processing, grower prices for oranges probably will increase a little this spring, while prices for grapefruit may not change much. In Florida about 11 million gallons of frozen orange concentrate had been made through March 17 this season, compared with 9 million a year earlier. Output of canned citrus juices and sections also has been larger this season.

The 20 million bushels of apples in cold storage on February 28, 1951 were the largest on record for that month. They were about 62 percent larger than the holdings on February 28, 1950 and 76 percent larger than the 1946-50 average for February 28. With such large stocks so late in the 1950-51 season, movement to market of all the apples will be difficult and grower and terminal market wholesale prices probably will decline further this spring. Total exports of apples, including apples moved under the export-payment program, were about 80 percent as large during July 1950-January 1951 as in the same months of the 1949-50 season.

With cold-storage holdings of pears continuing large in relation to foreseeable markets and with the marketing season nearing the end, grower prices for these remaining supplies probably will decline somewhat this spring. Total exports during July 1950-January 1951 were a little more than twice those of the same period in 1949-50.

Prospective supplies of strawberries for early spring marketing are considerably larger than the early spring crop of 1950. Grower prices probably will not be quite as high as 1950 prices. Acreages of the mid-spring and late-spring crops are each considerably larger than the respective 1950 acreages. Cold-storage holdings of frozen strawberries on February 28, 1951 were more than 2-1/2 times those of that date in 1950. Total stocks of frozen fruits and fruit juices were about 60 percent larger than on February 28, 1950.

COMMERCIAL TRUCK CROPS

For Fresh Market

Prices for most fresh vegetables during the next few months are expected to remain well above the levels of last spring. Continued dry weather in South Texas largely confined spring onion acreage to irrigated areas, and the total spring onion acreage is less than half as large as last year. Early reports for spring crops other than onion indicate a 4 percent drop in total acreage from last year. Acreages larger than last spring are thus far reported only for spinach and early spring tomatoes. Lettuce supplies through early spring harvest are indicated to be slightly larger than last year and considerably above average.

Planting intentions indicate a slightly smaller acreage of cabbage and watermelons for summer harvest this year than last.

For Processing

Indications are that farmers have been asking, and processors have been offering, substantially higher prices this year than last for tonnage to be produced for commercial canning and freezing. Larger acreages are needed to insure production of the increased quantities needed to meet strong civilian demand and the expanded military requirements.

The Department in February suggested increases in acreages planted for processing in 1951 over 1950 of 40 percent for sweet corn, 35 percent for tomatoes, 15 percent for green peas, 10 percent for snap beans, and 5 percent for green lima beans, and no change for beets, cabbage for kraut, cucumbers for pickles, and spinach.

March reports on winter production of spinach for processing in Texas and California, where more than half the year's total is usually produced, indicated an increase of 43 percent over the 1950 winter crop and 45 percent over the 10-year average winter crop. Early reports of processors' intentions also indicates the likelihood of a planted acreage of green peas for freezing about 14 percent larger than last year and not quite 11 percent more than last year for canning and other processing. About one-fourth of the acreage will be planted for freezing and three-fourths for canning and other processing; total acreage is expected to be up about 11 percent.

POTATOES AND SWEETPOTATOES

As of March 1, merchantable stocks of 1950-crop potatoes were only 3 percent below the record-large holdings a year earlier, despite heavy marketings and Government purchases during January and February. The 1951 winter crop of early commercial potatoes in Florida and Texas was above average but one-fourth smaller than the 2.5 million bushels produced last winter. Commercial acreage for early spring harvest is expected to be 17 percent smaller than last year; the increase in acreage in the Hastings area of Florida was more than offset by reduced acreage in other areas of Florida and a sharp cut in Texas acreage. Prospective early commercial acreages in later spring areas, including the important early crop in California, are down nearly one-fifth from last year and even farther below average. Because of the prospect for substantially smaller supplies of new potatoes this spring, prices for new potatoes through May are expected to continue moderately higher than a year earlier.

March intentions of farmers to plant indicate that the total U. S. acreage planted to potatoes this year may be about 15 percent smaller than acreage planted last year. The percentage reduction will be about the same in the early, intermediate, and late groups of States. Sharpest reductions are indicated in the surplus-producing States of the Central and Western part of the country.

If growers plant as now indicated, and if yields per acre are equal to the average of 1949 and 1950, a crop moderately in excess of expected civilian and military requirements would be produced. If this happens, prices received by farmers for the 1951 crop probably would average considerably higher than those for the much larger 1950 crop, even though there will be no price support on the 1951 crop.

Not more than the usual seasonal rise in price for sweetpotatoes is expected for the balance of the 1950 crop-marketing season. March intentions of farmers to plant sweetpotatoes this year indicate a probable cut in acreage between one-fifth and one-fourth from the already below-average acreage of last year. If average yields are realized on such an acreage, the crop would be the smallest in several decades, and undoubtedly would bring relatively high prices under the conditions of strong demand expected. The big decline in sweetpotato acreage probably is the result of increased competition for acreage of alternative crops, particularly cotton and tobacco.

DRY EDIBLE BEANS AND DRY PEAS

If farmers carry out their intentions to plant dry beans as expressed in early March, the 1951 acreage planted would be about 2 percent larger than in 1950. While the aggregate acreage is in substantial accord with the guide acreage equal to the 1950 acreage suggested by the Department, it appears that acreage of Baby Limas and Pintos may exceed the guide, while Navy or Pea Beans acreage may be smaller. The largest cut in acreage is indicated by intentions in Michigan, where 1950 growing and harvesting conditions were quite unsatisfactory. Largest increases are intended in New Mexico and California, and in the latter State particularly for varieties other than Limas.

If the indicated acreages are planted, and if yields on such acreage equaled the 1945-49 average, the total crop would be nearly as large as the 1950 crop, but below the 10-year average.

Prices received by farmers for dry beans probably will rise slightly through the next few months to mid-summer, as usual for this time of year. Aggregate supplies are adequate, though supplies of some classes and types are moderately out of balance with demand.

The 1951 acreage planted to dry field peas will be not quite 2 percent larger than the unusually small acreage in 1950, if farmers carry out their early March intentions. If such an acreage is planted, and if yields were to equal the 1945-49 average, the crop would be moderately smaller than in 1950 and the smallest since 1940. Under these conditions, prices which growers would receive probably would be substantially higher than those received for the 1950 crop, but perhaps below the post-war peak prices realized for the 1947 crop.

COTTON

The high level of economic activity, coupled with increasing inventories, indicates continued strong demand for cotton. Average daily mill consumption of cotton during January and February was well above last year at the same time. From August 1 to March 3 it was 6.3 million bales or 25 percent higher than during the same period last season. The rate of spindle activity (based on an eighty hour week) was 152.0 in February, compared with 133.4 February 1950. The average daily rate of consumption was 45,500, compared with 37,600 in 1950.

Mill stocks of raw cotton increased during the period when the markets were closed (January 26 to March 8), and by March 3, were about 4 percent larger than on February 3.

Exports of cotton during December and January were 32 and 40 percent smaller than for the same months last season. From August 1 through January exports were 11 percent smaller than the same period last season, when no export controls were in effect.

As of March 19, export licenses had not been issued for 610,549 bales of allocated cotton. Of this amount, 560,410 bales were under allocation to Austria, France, Germany, Italy, Netherlands and Korea. On January 31 about 1.7 million bales of allocated cotton remained to be shipped out of the country.

On March 3, the deadline for applying for export licenses for cotton was extended one month, to April 30. On March 16 an export allocation of 25,000 bales of linters or the equivalent in linters pulp was announced. From August 1, 1950 through January 31, 1951, 70,727 bales of linters had been exported.

Following the issuance of General Ceiling Price Regulation 1 on January 26, trading on futures markets was suspended and spot markets stopped quoting prices. On March 3, Ceiling Price Regulation 8 replaced the previous regulation with respect to American upland cotton. On March 7, a supplement to Ceiling Price Regulation 8 was issued to govern futures trading and the ceiling price for futures contracts was set at 45.39 cents per pound.

On March 8, the cotton markets resumed trading and spot prices and old crop futures months were quoted at or near their respective ceilings. As of March 27, spot prices were still at these levels. May futures contracts at New York were quoted at the ceiling, but new crop futures months were quoted considerably below their March 8 levels. The farm price in mid-February was .44 cent a pound higher than in January, and rose another .98 cent in March.

The price for American-Egyptian cotton reached a record high in February, when the average price for Grade 2, 1-1/2 inches in staple length stood at 98.00 cents per pound, flat on gin yards.

The prices of foreign cotton continued to rise in January and February. The February prices of some foreign cottons were more than double the prices of February 1950. In March, the prices of some foreign cotton declined moderately but others continued to increase. In addition, most exporting countries maintained export taxes on cotton.

Rayon yarn prices (viscose) continued to move upward during December, but held steady in January and February. Rayon staple fiber (viscose, 1-1/2 denier) was 3 cents a pound higher in both months than in November.

In December and January the price of purified linters was almost 3 times the price of standard viscose grade wood pulp. In December 1949 and June 1950, the price of purified linters was only 11 and 67 percent higher than the price of woodpulp.

According to the "Rayon Organon", rayon capacity is expected to increase by about one-sixth from November 1950 to the fall of 1952. The capacity for dissolving wood pulp output in the U. S. and Canada is expected to increase by about 230,000 short tons by the end of 1951 from mid-1950. The production of rayon yarns and fabrics hit an all-time high in 1950.

WOOL

Wool prices in foreign markets advanced somewhat during the first half of March. Advances since mid-February have more than offset the slight decline in prices which took place following the issuance of the General Ceiling Price Regulation. At mid-March prices for most wools were at new record levels. In general, dollar prices of most wools are from 125 to 225 percent higher, depending on type, than in early 1950.

Prices of imported wools at Boston continue to follow the trend of wool prices abroad. Prices of domestic wools at Boston are now 2 to 3 times as high, depending on grade, staple, etc., than at this time last year. In general, price increases for combing wools have been greater than for clothing wools and for coarse wools than for fine wools.

The average price received by growers for shorn wool in mid-March continued the advance which began in November 1949. The average farm price at mid-March was \$1.19 per pound, grease basis. This compared with \$1.09 received in February and 49.6 cents in March of last year. The farm prices reported in recent months largely reflect contract prices for this year's clip. The Production and Marketing Administration has announced that price supports on 1951 wool and mohair production will average 90 and 74.1 percent of their respective parity prices on March 15, 1951. Parity prices of wool and mohair on that date were 56.3 and 72.0 cents per pound, grease basis respectively. The average support prices for wool is about 50.7 cents per pound, grease basis, and that for mohair is about 53.4 cents per pound, grease basis. Since market prices for both wool and mohair are now and are expected to continue above support levels, it is unlikely that any wool or mohair will be purchased by the Commodity Credit Corporation under the support program. Wool prices are likely to remain high for at least the remainder of the current season. World demand for wool is expected to increase as a result of defense activities in a number of countries.

Domestic woolen and worsted mills consumed apparel wool at a weekly rate of 8.0 million pounds, scoured basis, during January, compared with 7.2 million pounds per week in December. Consumption of carpet wool averaged 3.3 million pounds, scoured basis, per week, compared with 3.8 million pounds per week the month before and 3.9 million pounds per week in January of 1950. The quantity of carpet wool used in the manufacture of floor coverings probably will be somewhat less this year than in 1950. The substitution of rayon for wool in carpet manufacture is expanding rapidly due to the greater increase in the price of wool than in the price of rayon.

Imports for consumption of dutiable (apparel) wool during January amounted to 30 million pounds, clean basis, compared with 27 million pounds in January of last year. During the same month, imports for consumption of duty-free (carpet) wools amounted to 15 million pounds clean basis.

TOBACCO

Cigarette consumption continues at a high level, and a strong demand for the 1951 crops of flue-cured and Burley--the principal cigarette types--is expected. Also, an active export demand, mainly for flue-cured, is anticipated since stocks of United States flue-cured abroad are relatively low and the dollar exchange position of foreign countries has shown substantial improvement over the past year. Farmers' intentions on March 1 indicated a 13 percent larger acreage of flue-cured than last year's harvested acreage. If yields per acre equal the 1946-50 average, this year's flue-cured production would approximate 1,293 million pounds--3 percent larger than last year's. Farmers' intentions for Burley indicated a 9 percent larger acreage for 1951 than last year's harvested acreage. If Burley yields per acre are near the 1946-50 average, this year's Burley crop would be about 550 million pounds or 11 percent larger than last year's.

The marketing of the 1950 crop tobacco has been practically completed except for the Maryland type, most of which is usually auctioned from around mid-April through August in the year following production. The estimated 1950 production of Maryland tobacco is 40 million pounds--1-1/4 million less than in the previous year. Dealers' and manufacturers' stocks of this type on January 1 totaled 53 million pounds--17 percent above the level of a year earlier. Maryland tobacco is used mainly in domestic cigarette manufacture while exports in recent years have accounted for 20 to 25 percent of total disappearance. The support level for the 1950 crop is 48.6 cents per pound--86 percent of the parity price as of October 1, 1950. The season average price for the 1949 crop was 48.5 cents per pound and the support level was 41.8 cents per pound. Planting intentions for the 1951 crop of Maryland indicated 52,000 acres compared with 50,000 acres harvested in 1950.

The auction market prices for the Kentucky-Tennessee fire-cured tobacco through late March averaged 29.6 cents per pound for type 22 and 25.8 cents per pound for type 23. The season averages for the 1949 crops of these types were 30.6 and 25.1 cents, respectively. The major domestic outlet for fire-cured tobacco is snuff. Tax paid withdrawals of snuff in the first 2 months of 1951 were 24 percent larger than in the same period of 1950. This year's prospective acreages of fire-cured and dark air-cured are indicated at very slightly less than the 1950 harvested acreages for these types.

Based on cigar tobacco growers' planting intentions, the 1951 acreage of Pennsylvania filler is indicated at 7 percent less than harvested acreage in 1950 and the Ohio types may be down 17 percent. Cigar binder in Wisconsin is indicated at 10 percent less than the 1950 harvested acreage and the Connecticut Valley Broadleaf and Havana Seed may be lower than last year by 9 and 14 percent, respectively. Shade-grown acreage in Connecticut is indicated to be a little lower but in the Georgia-Florida area, increased slightly.

United States exports of unmanufactured tobacco during January were sharply higher than in January 1950. Flue-cured exports accounted for over four-fifths of the total and more than doubled the unusually small amount shipped in January 1950. Over three-fifths of the January exports went to western European countries and around 15 percent went to Australia. For just seven months of the 1950-51 fiscal year exports of manufactured tobacco were 341 million pounds--3 percent larger than in the same period of 1949-50.

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